

Joseph S. Makuch, Oregon State Bar No. 95,343 joe.makuch@techlaw.com

Craig R. Rogers, Oregon State Bar No. 98,441 craig.rogers@techlaw.com

Hillary A. Brooks, Oregon State Bar No. 01,213 hillary.brooks@techlaw.com

MARGER JOHNSON & McCOLLOM, P.C.

210 S.W. Morrison Street, Suite 400

Portland, Oregon 97204

Phone: (503) 222-3613 Fax: (503) 274-4622 Not an Original Signature

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Attorneys for Plaintiff Smart Parts, Inc.

Stephen F. English, Oregon State Bar No. 73084 steve.english@bullivant.com
Scott A. Brooksby, Oregon State Bar No. 95056 scott.brooksby@bullivant.com
BULLIVANT HOUSER BAILEY PC
300 Pioneer Tower
888 SW Fifth Avenue
Portland, Oregon 97204-2089

Phone: (503) 228-6351 Fax: (503) 295-0915

Ronald M. Wawrzyn, Wisconsin State Bar No. 1013713

rwawrzyn@foleylaw.com FOLEY & LARDNER LLP

777 East Wisconsin Avenue, Suite 3800 Milwaukee, Wisconsin 53202-5306

Phone: (414) 297-5548 Fax: (414) 297-4900

Attorneys for Defendant WDP, Ltd.

UNITED STATES DISTRICT COURT DISTRICT OF OREGON

SMART PARTS, INC., a Pennsylvania corporation,

CV 02-1557-KI

Plaintiff,

CONSENT JUDGMENT

v.

WDP, LTD., an England company,

Defendant.

<u>CONSENT JUDGMENT</u> by Plaintiff Smart Parts, Inc. and Defendant WDP, Ltd.

The parties, having agreed to settle this matter according to the terms of the Confidential Settlement Agreement, submitted herewith (under seal) as Exhibit A, and further having agreed to the entry of the following Order, it is hereby Ordered, Adjudged, and Decreed as follows:

- 1. This Court has jurisdiction over Plaintiff Smart Parts, Inc. ("Smart Parts") and WDP, Ltd. ("WDP") and of the subject matter of this action.
- 2. Smart Parts was and is the sole owner of the entire right, title, and interest in and to United States Letters Patent No. 6,474,326, its predecessor application and patent (U.S. Patent No. 6,035,843), and their continuations and divisionals, including all rights of recovery for infringement.
- 3. WDP, its principals, directors, officers, agents, servants, employees, receivers, trustees, successors, and assigns, who receive notice of this Order, and all other persons in active participation with them, are hereby permanently enjoined during the life of United States Letters Patent Nos. 6,474,326 from any acts of infringement, contributory infringement, and inducement of infringement of said patent, and from making, using or selling the invention claimed in said patent, except as otherwise agreed to in writing by the parties or as permitted pursuant to the Confidential Patent License Agreement, submitted herewith (under seal), as Exhibit B. Should said Confidential Patent License Agreement be terminated for reasons unrelated to any fault by WDP, this Consent Judgment shall be null and void. Notwithstanding the foregoing, this Consent Judgment and permanent injunction should not be construed for purposes of collateral estoppel or *res judicata* as an adjudication that any of WDP's products infringe any of Smart Parts' patents.

- 4. Dr. Edward C. Hensel ("Dr. Hensel") is adjudged to be a co-inventor, along with the four named inventors, of one or more claims of U.S. Patent No. 6,474,326.
- 5. The error in failing to name Dr. Hensel an inventor is adjudged to have arisen without deceptive intent on the part of Dr. Hensel or any other person or entity, and correction of inventorship by the United States Patent and Trademark Office to name Dr. Hensel a co-inventor of U.S. Patent No. 6,474,326 is ordered under 35 U.S.C. § 256.
- 6. WDP is ordered to assign to Smart Parts any rights it might have obtained or may hereafter obtain in and/or to U.S. Patent No. 6,474,326, and all related inventions and patents, and to record documents reflecting said transfer with the United States Patent and Trademark Office. Any transfers or licenses to U.S. Patent No. 6,474,326, and/or its related patents, by WDP to any other persons or entities are null and void.
- 7. WDP's affirmative defenses and counterclaims raising issues of invalidity and unenforceability are hereby denied, and WDP, its principals, directors, officers, agents, servants, employees, receivers, trustees, successors, and assigns, who receive notice of this Order, and all other persons in active participation with them, are precluded from raising these issues in subsequent litigation.
- 8. WDP, its principals, directors, officers, agents, servants, employees, receivers, trustees, successors, and assigns, who receive notice of this Order, and all other persons in active participation with them hereby acknowledge the validity and enforceability, and Smart Parts' ownership, of U.S. Patent No. 6,474,326 and agree not to contest the validity or enforceability or Smart Parts' ownership of U.S. Patent No. 6,474,326 or to directly or indirectly aid, assist, or participate in any action contesting the validity, enforceability, or ownership of said patent or its related patents, except as required pursuant to a court order.

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- Any and all pending motions filed by either party are denied as moot. 9.
- 10. This Court retains jurisdiction of this matter as necessary to resolve disputes, if any, arising between Smart Parts and WDP, insofar as it relates to the subject matter of this lawsuit.
- 11. The parties hereto waive appeal from this Consent Judgment, as well as any and all other challenges to it in any way.
 - Each party shall bear its own costs and attorney fees.

CONSENTED AND AGREED TO BY:

CONSENTED AND AGREED TO BY:

William M. Gardner, Jr., President

Date: 10-3-0K

WDP, LTD.

Jon Green, Director

Date: 10 3 - 0 (

IT IS SO ORDERED:

UNITED STATES DISTRICT JUDGE

CONSENT JUDGMENT

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CERTIFICATE OF SERVICE

I hereby certify that I served a copy of the foregoing Consent Judgment

on:

Ronald Wawrzyn FOLEY & LARDNER LLP 777 East Wisconsin Avenue, Suite 3800 Milwaukee, Wisconsin 53202-5306

Stephen F. English, Scott A. Brooksby, BULLIVANT HOUSER BAILEY PC 300 Pioneer Tower 888 SW Fifth Avenue Portland, Oregon 97204-2089

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	by mailing a copy thereof in a sealed, first-class postage prepaid envelope, addressed to said attorney's last-known address and deposited in the U.S. mail at Portland, Oregon on the date set forth below;
	by causing a copy thereof to be hand-delivered to said attorney's address as shown above on the date set forth below;
	by personally handing a copy thereof to said attorney on the date set forth below;
	by sending a copy thereof via overnight courier in a sealed, prepaid envelope, addressed to said attorney's last known address on the date set forth below; or
	by faxing a copy thereof to said attorney at his/her last-known facsimile number on the date set forth below.

Dated this 14th day of March, 2006.

By: DON Gubank
Hope Ewbank